

**EXHIBIT  
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**In the Matter Of:**

*IN RE: PORK ANTITRUST LITIGATION*

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*SETH MEYER, PH.D.*

*June 15, 2022*

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\* \* \* \* \*

Whereupon,

SETH MEYER, Ph.D.,

having been first duly sworn, testified

upon his oath as follows:

EXAMINATION BY COUNSEL FOR DEFENDANT CLEMENS

BY MS. STUPAR:

Q All right. Are we ready to get going?

A Let's go.

Q Hi, Dr. Meyer. We met off the record,  
but my name is Jenna Stupar. I represent Clemens,  
but I'm taking this deposition on behalf of all  
defendants.

Just want to say really appreciate your  
time today. I know that it's really valuable.  
I'm going to do everything in my power to go as  
quick as I can here, and so I really appreciate  
it.

And so I also just want to clarify a  
couple of things. You are here in your individual  
capacity, though you are currently employed by the  
government, the USDA; is that right?

MR. SIMON: Let me just clarify.

He's here as ab agency employee, so he's  
still in his capacity as an agency employee,

own sector and outside of livestock in general.

This obviously is something that they would notice and take consideration of.

Q Okay, that's fair, and so we've been talking about this 2007 - 2009 time period with the implementation of the Renewable Fuel Standard. One other thing that I wanted to talk about during that time period was the economy.

Are you familiar with what we colloquially call the Great Recession?

A Yes.

Q And what was that?

A I'm not a macroeconomist. We had a large globally-based recession and at the same time volatile commodity prices and energy prices as well.

Q And what time period was that?

A I want to say -- I don't, I don't recall. I don't -- I mean it doesn't happen overnight. It evolves over a period of time, but within your range of 2007 to 2009, we see factors that kick it off, and then we see it take hold.

Q Okay, so it took off in the 2007 - 2009 period, but then in the following years there could be some lingering effects; is that fair?

1 MR. EDDY: Objection to form.

2 THE WITNESS: I don't think I have  
3 an answer for you what the lingering effects  
4 of the Great Recession might be on -- no, I  
5 don't, I don't want to speculate.

6 BY MS. STUPAR:

7 Q Okay, fair enough.

8 MR. STEWART: Excuse me. I want to  
9 interpose -- this is Mr. Stewart -- objection  
10 to scope.

11 BY MS. STUPAR:

12 Q Did the Great Recession have any impact  
13 on proteins, in your view?

14 MR. EDDY: Objection to form and  
15 lack of foundation.

16 MR. STEWART: And scope.

17 THE WITNESS: So the Great  
18 Recession, if we're talking about meat  
19 consumption by consumers, the Great Recession  
20 had a negative impact on consumer demand. As  
21 income contracts, that is one of the ways  
22 folks adjust.

23 BY MS. STUPAR:

24 Q Okay. So there was a reduced demand for  
25 meat as a result of the Great Recession; is that

1 fair?

2 A Correct.

3 Q And so we've been talking about the  
4 Renewable Fuel Standard during this 2007 - 2009  
5 time period. We just talked about the Great  
6 Recession.

7 Do you recall how the protein producers  
8 responded during that 2007 to 2009 time period?

9 MR. EDDY: Objection to form and  
10 foundation.

11 THE WITNESS: I don't, I don't  
12 recall.

13 BY MS. STUPAR:

14 Q Do you recall if the beef industry  
15 reduced supply, for example?

16 MR. EDDY: Same objection.

17 THE WITNESS: The biological lags  
18 there are even longer. I don't recall.

19 BY MS. STUPAR:

20 Q Okay. Specifically in the hog industry,  
21 do you recall if they cut supply?

22 MR. EDDY: Same objection.

23 THE WITNESS: I don't recall.

24 BY MS. STUPAR:

25 Q Okay. That's totally fine.

1           One of the other things that you  
2           mentioned was the 2012 drought?

3           A     Yes.

4           Q     Okay, and so can you just explain what  
5           that was and why it had the impact of -- I think  
6           you said that it was part of the reason for the  
7           spike in the chart, so if you could explain what  
8           that was and the impact on corn prices, please.

9           A     Sure. So in 2012, the summer of 2012,  
10          which would have been the crop for the marketing  
11          year '12/'13, right, so it would have been the  
12          crop in the ground in the summer of 2012, to be  
13          harvested at the end of 2012, and marketed '12 to  
14          '13, we had a significant and widespread  
15          drought -- significant and widespread drought that  
16          significantly cut U.S. corn production, really  
17          supporting prices.

18          Q     And so you said "significant."  
19          Historically speaking, how did this drought  
20          compare to other droughts you had seen in your  
21          decades studying the industry at that point?

22          A     Among the largest --

23                   MR. EDDY: Objection. Objection to  
24                   form and foundation. Sorry, Dr. Meyer.

25                   THE WITNESS: No, no. I need to

1           A       The second bullet says "low 2008 hog  
2       prices will lead to large financial losses for hog  
3       producers," so that's a loss. Hog prices fail to  
4       cover costs in 2008, so they're assessing, for  
5       that year, they will not cover costs.

6           Q       And then they say in the next sentence,  
7       "As a result, sow numbers for the second half of  
8       2008 and 2009 will be lower," so they're  
9       predicting a supply cut as a result of the large  
10      financial losses; is that fair?

11          A       Yes.

12                   MS. STUPAR: Okay. Let's go to  
13       2009 FAPRI, Tab 14. This is Seth Meyer  
14       Exhibit 13 [sic].

15                   THE WITNESS: This should be 14.

16                   (Exhibit 14 was marked for  
17       identification.)

18                   (Discussion held off the record.)

19      BY MS. STUPAR:

20          Q       So we've actually marked it as Exhibit  
21       14.

22                   MR. EDDY: That's the March 2009?

23                   MS. STUPAR: Yes.

24                   MR. EDDY: Thank you.  
25

1 BY MS. STUPAR:

2 Q Let's go to page 3, titled "Summary:  
3 Recent Swings in Prices. There are two pages with  
4 that name, so make sure you're on page 3.

5 The very first -- and so again, we're  
6 in, you know, March 2009. The very first section  
7 says "Weak economy weighs on commodity markets,"  
8 and there's a graph showing, graph showing "World  
9 GDP Growth" in -- through 2010.

10 Do you see that?

11 A Mm-hmm.

12 Q And the second bullet refers to a  
13 "current downturn in the U.S. and global  
14 economies."

15 Do you see that?

16 A Mm-hmm.

17 Q And so does that refer to the Great  
18 Recession that we talked about earlier?

19 A It does.

20 Q Okay. All right. Let's go to the pork  
21 on page 44. The very first bullet point says  
22 "2008 was the worst financial year for hog  
23 producers since 1998."

24 Do you see that?

25 A I do.



1 Q Do you have any reason to disagree that  
2 statement, sitting here today, at the time that it  
3 was written?

4 A I don't.

5 Q Okay, and then the section says  
6 "receipts have not kept pace with cost increases,"  
7 and there's a graph.

8 Do you see that?

9 A Yes.

10 Q Can you explain what this graph depicts?

11 A Okay. So what it is describing is,  
12 again, output prices and input prices, and for  
13 input prices it is separating out feed costs from  
14 other costs of production for the producers.

15 Q Okay, and then the second heading says  
16 "Poor Profitability Reduces the Breeding Herd."

17 Do you see that?

18 A Yes.

19 Q And can you explain what that means?

20 A So this is showing head change from a  
21 year ago, so number of animals, and it is a  
22 change, so it shows that there is an increase in  
23 animal numbers in 2008, the graph above it showing  
24 poor profitability in 2008, and, therefore,  
25 contraction in the following year in animal

1 numbers, as it goes negative in that graph.

2 Q And that makes sense to you as an  
3 economist; is that right?

4 A It does.

5 Q Let's go to the bottom section, "Hog  
6 Imports and Pork Exports retract from Record  
7 Levels." The second bullet point says "Export  
8 levels began to fall during the fourth quarter of  
9 2008. Though some decline is expected in 2009,  
10 the long-term trend of increasing exports is  
11 expected to resume in 2010."

12 Do you see that?

13 A I do.

14 Q So here FAPRI is predicting a long-term  
15 trend of increasing exports to resume in 2010; is  
16 that fair?

17 A That's what it shows, yes.

18 MS. STUPAR: Okay. We're going to  
19 stay in 2009 for a second, with a different  
20 FAPRI document in the baseline reports.

21 Let's go to Tab 17. I'll be interested see  
22 if you remember this. Exhibit 15.

23 (Exhibit 15 was marked for  
24 identification.)

25 MR. EDDY: Are you off the FAPRI

1 report and marking a new one? I'm sorry.

2 MS. STUPAR: So if you see Tab 17  
3 come up, that's where I'm at.

4 MR. EDDY: And this will be Exhibit  
5 15?

6 MS. STUPAR: That's right.

7 BY MS. STUPAR:

8 Q Do you recognize this document?

9 A I do.

10 Q So this is a May 2009 "Impacts of  
11 Selected U.S. Ethanol Policy Options" by FAPRI?

12 A Yes.

13 Q If you turn the page, at the top it  
14 says, "This report was prepared in response to a  
15 request from U.S. representatives," and then lists  
16 them, and it says, "At the suggestion of the  
17 Members of Congress, organizations representing  
18 Texas crop and livestock producers helped identify  
19 nine of the eleven scenarios examined in this  
20 report," and then it list the organizations, and  
21 then toward the bottom, it says, "Contact authors  
22 are" yourself, Pat Westhoff and Wyatt Thompson.

23 Do you see that?

24 A I do.

25 Q Okay, so do you remember putting this